

**TRW Vehicle Safety Systems, Inc. Civil Judicial Settlement/Criminal Plea  
Fact Sheet  
January 18, 2001**

On January 18, the Department of Justice, on behalf of the U.S. Environmental Protection Agency, and the Arizona Department of Environmental Quality (ADEQ) announced a civil settlement and criminal plea with TRW Vehicle Safety Systems Inc. (VSSI) that will resolve charges the airbag manufacturer violated the Resource Conservation and Recovery Act (RCRA) at its Mesa, Arizona, facilities.

VSSI, a wholly owned subsidiary of TRW Inc., based in Cleveland, has agreed to pay a \$5.67 million civil penalty that will be divided equally between the United States and Arizona under the settlement filed today in U.S. District Court in Phoenix, and pay a \$12 million criminal penalty (\$6 million to federal government and \$6 million to the State of Arizona) for pleading guilty to RCRA violations.

The settlement announced today sets the model for federal-state environmental enforcement and is the largest combined joint civil and criminal settlement under RCRA. The settlement also requires the company to conduct several environmental projects that will provide water conservation benefits and an emergency "911" notification system for the citizens of Maricopa County among other environmentally beneficial projects.

**Company:** Headquartered in Cleveland, Ohio, VSSI is an owner/operator of airbag manufacturing facilities. The civil judicial settlement involves two VSSI manufacturing facilities near Mesa, Arizona that manufacture sodium-azide-based propellant, which inflate vehicle airbags.

**Environmental Benefits:** This settlement will prevent future environmental harm such as fires and explosions that occurred in the past due to VSSI's mismanagement and misidentification of hazardous waste. The settlement also will ensure that future waste will be properly identified as hazardous and not shipped to solid waste facilities as was VSSI's past practice.

**Violations:** It is alleged that VSSI violated RCRA and Arizona state law requirements pertaining to characterizing, manifesting and disposing of hazardous wastes. Specifically, VSSI generated:

1. Wastewater containing sodium azide, a listed hazardous waste (P105), which can be explosive; and
2. Certain dusts and wastewater generated from VSSI's processes are reactive hazardous wastes (D003-sodium azide when mixed with water forms hydrazoic acid, which can lead to an explosion).

VSSI failed to properly identify its hazardous waste and, thus, mismanaged the hazardous waste on-site and illegally shipped and disposed of the hazardous waste off-site (e.g., shipped to a subtitle D landfill).

**Co-Plaintiffs:** The State of Arizona has joined in this settlement.

**Civil Settlement Terms:**

1. ***Civil Penalty:*** VSSI has agreed to pay a civil penalty of \$5.67 million. The penalty will be split equally between the EPA and the State of Arizona.

2. ***Injunctive Relief (\$16 million):*** VSSI will conduct on-site and off-site remediation for soil and groundwater contamination.

a. **Onsite remediation (\$12 million),** VSSI will:

- Assess and remediate all contamination soil and groundwater to meet applicable state and federal standards. In accordance with State Arizona, VSSI will file an environmental use deed restriction for those areas at the facility that do not meet residential soil remediation standards.
- Improve wastewater management to prevent future storage violations and disposal.

b. **Off-site remediation (\$3-4 million),** VSSI will:

- Fund remediation activities at Butterfield Station Landfill in Mobile, Arizona. The remediation includes enclosing the illegally disposed of hazardous waste into a synthetically lined capsule or isolation cell and placing the waste at the bottom of the landfill. Other soils at the landfill that were contaminated by the leachate from the illegally disposed of hazardous waste and have a significantly lower concentration of sodium azide will be placed at the bottom of the landfill and used as foundational material. This landfill cell will be monitored continuously to ensure that none of the hazardous waste material migrates from the new cell.
- Waste Management of Arizona, owner of the landfill, and a party in the consent decree, has agreed to undertake the cleanup of that site (estimated to cost \$1.5 million).

3. ***Waste Reclamation:*** VSSI plans to recycle its evaporator concentrate wastewater treatment sludge, a reactive hazardous waste. To recycle the evaporator concentrate wastewater treatment sludge at American Azide (a non-TSD facility) in Utah, VSSI needs to apply for a solid waste variance under 40 C.F.R. Section 260.31(c).

4. ***Supplemental Environmental Projects (Approximately \$5.7 million):***

a. **\$2.5 million** for Community Emergency Notification System ("Reverse 911") for Maricopa County. Maricopa County is one of Arizona's largest counties and includes the cities of Mesa and Phoenix.

b. **\$840,000** for wastewater pollution prevention project at VSSI's manufacturing facilities. VSSI will implement a reuse of wastewater project that will result in treated wastewater being used by its Mesa and Reno, Nevada facilities.

c. **\$2.39 million** for the installation of wastewater storage and collection upgrades at its Mesa facility. The upgrades include expanded exterior water collection trends to collect storm and deluge water and impermeable coating of certain trenches.

**Terms of Criminal Plea:**

- \$12 million fine (\$6 million to U.S. government and \$6 million to State of Arizona)
- Five years probation
- Implement and maintain an environmental management system to prevent future environmental violations
- Comply with remediation requirement of the civil consent decree
- Publish a letter of public apology admitting the violations